

## **EXHIBIT 1**

### **INTRODUCTION**

Respondent Synergics Telemetry, LLC is a limited liability corporation engaged in the telecommunications business. Respondent Synergics Telemetry, LLC is headquartered in Annapolis, Maryland.

In 2002, during the first semi-annual campaign reporting period of January 1, 2002 through June 30, 2002, Respondent made \$22,032 in contributions, and thereby qualified as a “major donor committee” under the Political Reform Act (the “Act”).<sup>1</sup> As such, Respondent was required to comply with specified campaign reporting provisions of the Act.

As a major donor committee, Respondent was required by the Act to file late contribution reports disclosing its late contributions within 24 hours of making them. In this case, Respondent made two late contributions prior to the March 2002 primary election, which it failed to disclose in properly filed late contribution reports, thereby committing two violations of the Act.

For the purposes of this Stipulation, Respondent’s violations are stated as follows:

**COUNT 1:** Respondent Synergics Telemetry, LLC failed to disclose a \$20,000 late contribution to the Governor Gray Davis Committee in a properly filed late contribution report, by the February 26, 2002 due date, in violation of Section 84203, subdivision (a).

**COUNT 2:** Respondent Synergics Telemetry, LLC failed to disclose a \$2,032 late contribution to the Governor Gray Davis Committee in a properly filed late contribution report, by the February 26, 2002 due date, in violation of Section 84203, subdivision (a).

### **SUMMARY OF THE LAW**

An express purpose of the Act, as set forth in Section 81002, subdivision (a), is to ensure that the contributions and expenditures affecting election campaigns are fully and truthfully disclosed to the public, so that voters may be better informed, and improper practices may be inhibited. To that end, the Act sets forth a comprehensive campaign reporting system designed

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<sup>1</sup> The Political Reform Act is contained in Government Code sections 81000 through 91014. All statutory references are to the Government Code unless otherwise indicated. The regulations of the Fair Political Practices Commission appear at California Code of Regulations, Title 2, sections 18109-18996. All regulatory references are to Title 2 of the California Code of Regulations.

to accomplish this purpose of disclosure.

Section 82013, subdivision (c) includes within the definition of “committee” any person or combination of persons who directly or indirectly makes contributions totaling ten thousand dollars (\$10,000) or more in a calendar year to, or at the behest of, candidates or committees. This type of committee is commonly referred to as a “major donor” committee.

Under Section 84203, subdivision (a), when a committee makes or receives a late contribution, the committee must disclose the contribution in a late contribution report that must be filed within 24 hours of making or receiving the contribution. Section 82036 defines a “late contribution” as a contribution aggregating \$1,000 or more that is received before an election, but after the closing date of the last pre-election statement. Under Section 84200.8, subdivision (b), for an election not held in June or November of an even-numbered year, the late contribution period covers the last 16 days before the election.

Section 84215, subdivision (a) requires all major donor committees supporting statewide elected officers to file the committee’s campaign statements with the office of the Secretary of State, the Registrar-Recorder of Los Angeles County and with the Registrar of Voters of the City and County of San Francisco.

## **SUMMARY OF THE FACTS**

During the first semi-annual campaign reporting period of 2002, Respondent Synergics Telemetry, LLC made \$22,032 in political contributions, and thereby qualified under Section 82013, subdivision (c) of the Act as a major donor committee.

As a major donor committee, Respondent Synergics Telemetry, LLC had a duty to file late contribution reports, disclosing, within 24 hours, any late contributions that it made. The late contribution reporting period for the March 5, 2002 primary election was February 17, 2002 through March 4, 2002.

### **COUNT 1**

#### **Failure to File a Late Contribution Report**

On February 25, 2002, Respondent Synergics Telemetry, LLC made a contribution of \$20,000 to the Governor Gray Davis Committee. As the contribution was made during the late contribution reporting period prior to the March 5, 2002 primary election, Respondent was required to disclose the contribution in a late contribution report filed by February 26, 2002. Respondent did not do so. By failing to disclose the \$20,000 contribution in a late contribution report filed by February 26, 2002, Respondent violated Section 84203, subdivision (a).

### **COUNT 2**

#### **Failure to File a Late Contribution Report**

On February 25, 2002, Respondent Synergics Telemetry, LLC made a contribution of \$2,032 to the Governor Gray Davis Committee. As the contribution was made during the late contribution reporting period prior to the March 5, 2002 primary election, Respondent was required to disclose the contribution in a late contribution report filed by February 26, 2002. Respondent did not do so. By failing to disclose the \$2,032 contribution in a late contribution report filed by February 26, 2002, Respondent violated Section 84203, subdivision (a).

## **CONCLUSION**

This matter consists of two counts, which carry a maximum possible administrative penalty of Ten Thousand Dollars (\$10,000).

In this matter, Respondent Synergics Telemetry, LLC failed to file two late contribution reports regarding campaign contributions made in February 2002. Respondent Synergics Telemetry, LLC attributes its violations to being unaware of the filing obligations and deadlines associated with its campaign activity. Furthermore, Respondent disclosed the late contributions at issue in this matter in a timely filed semi-annual major donor statement. Finally, Respondent Synergics Telemetry, LLC does not have a history of any prior enforcement action being taken against it and has been cooperative with Commission staff.

Under the Enforcement Division's Streamlined Late Contribution Enforcement Program, the approved administrative penalty for failing to timely disclose late contributions is 15 percent of the amount of the undisclosed contributions. Although this case has been excluded from the Program, at Respondent's request, the late contribution reporting violations in this case do not appear to be especially aggravated, and therefore, imposition of a penalty approximating that standard penalty is appropriate.

The facts of this case therefore justify imposition of the agreed upon penalty of Three Thousand Three Hundred Dollars (\$3,300).